

IN THE MATTER OF COMCAST)	<u>CABLE TELEVISION</u>
CABLEVISION OF MERCER COUNTY,)	
INC.'S FILING OF FCC FORM 1240)	
UPDATING THE MAXIMUM)	STATE OF NEW JERSEY
PERMITTED RATE FOR REGULATED)	BOARD OF PUBLIC UTILITIES
CABLE SERVICE USING THE)	
OPTIONAL EXPEDITED RATE)	
PROCEDURES)	BPU DOCKET NUMBER: CR02080502

STIPULATION OF FINAL RATES

The undersigned parties, as a result of a review of the FCC Form 1240 and timely filed public comments in this matter hereby stipulate to the following findings of fact and conclusions of law for consideration by the Board of Public Utilities ("Board"); and,

As part of the Optional Expedited Rate Procedures (Approved January 12, 1996, Docket No. CX95120636), Comcast Cablevision of Mercer County, Inc. (Petitioner) agreed to waive the Company's litigation rights at the Office of Administrative Law ("OAL") in this proceeding. It should be noted that Petitioner's waiver was a knowing, voluntary and intelligent waiver of its litigation rights at the OAL and that the waiver did not constitute a circumvention of the Federal Communications Commission ("FCC") rules nor did it affect the Company's right to appeal in that forum.

WHEREAS, the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992), codified at 47 U.S.C. § 543 et seq., (the "Federal Act"), classified the delivery of cable television services into two separate rate regulated categories: (i) "basic service" (consisting primarily of "off-the-air" and public educational and governmental channels) and associated equipment and installation and (ii) cable programming services ("CPS") (consisting of other tiers of channels) and associated equipment; and

WHEREAS, under the Federal Act, basic service is regulated by the "franchising authority"; and

WHEREAS, under the provisions of the New Jersey Cable Television Act ("New Jersey Act"), N.J.S.A. 48:5A-1 et seq., the franchising authority is the Board of Public Utilities; and

WHEREAS, the Federal Act required the FCC to issue regulations governing the standards to be used by franchising authorities in regulating basic service rates; and

WHEREAS, under the regulations adopted March 30, 1994, 47 C.F.R. § 76.900 et seq., a cable operator may adjust its rates by electing the annual rate adjustment system under the regulations adopted September 15, 1995 (47 C.F.R. § 76.922) by filing a Form 1240 and a Form 1205 on the same date; and

WHEREAS, on August 2, 2002, (revised August 19, 2002), Petitioner, serving subscribers

within the Boroughs of Hopewell and Pennington, the Townships of Ewing and Lawrence and the City of Trenton, filed a Form 1240, Docket Number CR02080502, with the Board seeking approval of inflation, channel changes and external cost adjustments for a total increase in the Maximum Permitted Rate ("MPR") for basic service of 8.5% for the period from November 1, 2002 to October 31, 2003, for an increase in the MPR for basic service from \$12.14 to \$13.17, exclusive of franchise fees, which would result in a total increase in the MPR for basic service of \$1.03 per month; and

WHEREAS, the parties upon review of the FCC Form 1240, supporting documentation and schedules thereto agree that the proposed rate is just and reasonable; and

WHEREAS, the Staff, the Ratepayer Advocate and Petitioner have engaged in discussions of this matter; and

WHEREAS, the Staff, the Ratepayer Advocate and Petitioner have concluded that the Company is entitled to the above-referenced adjustment which it seeks in its FCC Form 1240 filing;

NOW, THEREFORE, Staff, the Ratepayer Advocate, and Petitioner hereby STIPULATE AS FOLLOWS:

1. Petitioner notified its customers of the proposed rate increase via a newspaper announcement and has informed them of their opportunity to submit written comments for a period of thirty (30) days.
2. The effective date for the increase in the Maximum Permitted Rate for basic service due to inflation, channel changes, and external cost adjustments under Docket Number CR02080502 is November 1, 2002.
3. This stipulated rate increase shall be subject to the approval of the Board and all revenues collected as a result of this adjustment shall be subject to refund, pursuant to the rules and regulations of the FCC as well as those of the Board if the Board finds this rate increase to be unjustified in whole or in part or in any way implemented improperly.
4. This Stipulation of Settlement resolves all issues raised by this filing which are the subject of the within matter.
5. The signatories agree that, except as expressly provided herein, this Stipulation has been made exclusively for the purpose of this proceeding and that the Stipulation contained herein, in total or by specific items, is in no way binding upon the parties in other proceedings before the Board or in other forums or jurisdictions, nor are the contents of this Stipulation, in total or by specific items, by inference, inclusion, or deletion, in any way to be considered or used by another party as any indication of the position of any party hereto on any issue litigated or to be litigated in other proceedings.

This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the

parties expressly and jointly state that they would not have signed the agreement had any term been modified in any way. Each party is entitled to certain procedures in the event that any modification is made to the terms of this Stipulation. That is, each signatory party must be given the right to be placed in the position it was in before the Stipulation was entered. Therefore, if any modification is made to the terms of this Stipulation, it is essential that each party be given the option, before the implementation of any new rate resulting from this action, either to modify its own position to accept the proposed changes, or to resume the proceeding as if no agreement had been reached.

The parties believe these provisions are fair to all concerned and therefore, they are made an integral and essential element of this Stipulation. This being the case, all parties expressly agree to support the right of any other party to this Stipulation to enforce all terms and procedures detailed herein.

GLORIA J. FURLONG
OFFICE OF CABLE TELEVISION

DATED:

By: _____
Supervising Administrative Analyst

SEEMA M. SINGH ESQ.,
ACTING DIRECTOR AND RATEPAYER
ADVOCATE, DIVISION OF THE RATEPAYER
ADVOCATE

DATED:

By: _____
Lawanda Gilbert, Esq.
Deputy Ratepayer Advocate

COMCAST CABLEVISION OF MERCER
COUNTY, INC.

DATED:

By: _____
Dennis C. Linken, Esq.
Stryker, Tams & Dill